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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/086,769	03/01/2002	Joseph M. Kochansky	074339.0005 BLAC-106	8954
21874 7590 07/09/2007 EDWARDS ANGELL PALMER & DODGE LLP P.O. BOX 55874 BOSTON, MA 02205			EXAMINER PATEL, JAGDISH	
			ART UNIT 3693	PAPER NUMBER
			MAIL DATE 07/09/2007	DELIVERY MODE PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No. 10/086,769	Applicant(s) KOCHANSKY, JOSEPH M.	
	Examiner JAGDISH PATEL	Art Unit 3693	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 16 April 2007.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-36 is/are pending in the application.
- 4a) Of the above claim(s) 28-36 is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-27 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☒ Claim(s) 28-36 are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date: _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date <u>2/7/03, 8/15/03</u> | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

1. This communication is in response the applicant's filing dated 4/16/07 responding to the election/restriction requirements of prior office action.

Election/Restrictions

2. Applicant's election with traverse of invention I of claims 1-27, drawn to investment strategy or investment portfolio management classified in class/subclass 705/36R in the reply filed on 4/16/07 is acknowledged. The traversal is without any supporting arguments and therefore not found persuasive. Accordingly the requirement is still deemed proper and is therefore made FINAL. Claims 28-36 of non-elected invention II have been withdrawn from further consideration.

Claim Rejections - 35 USC § 112

3. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

4. Claims 1-27 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claim 1 recites a method of determining whether a transaction involving a financial instrument is compliance with investment objectives associated with an investment portfolio. The claim in turn recites step c) referring to the dynamic database to incorporate each related entry contained therein into the at least one rule. This renders the

Art Unit: 3693

claim vague and unclear because the claim does not specify whether “the related entries” are indeed incorporated into the rule. The examiner suggests step c) to read “incorporating each related entry contained in the dynamic database into the at least rule ..”.

Dependent claims 2-9 also contain the aforementioned deficiency.

Note that all independent claims recite this or similar limitation and therefore are rendered indefinite.

Claim Rejections - 35 USC § 101

5. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1-27 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

Under the statutory requirements of 35 USC § 101 the claimed invention as a whole must accomplish a practical application. That is, it must produce a “useful, concrete and tangible result.” State Street, 149 F.3d at 1373, 47 USPQ2d at 1601-02. The purpose of this requirement is to limit patent protection to inventions that possess a certain level of “real world” value, as opposed to subject matter that represents nothing more than an idea or concept, or is simply a starting point for future investigation or research (Brenner v. Manson, 383 U.S. 519, 528-36, 148 USPQ 689, 693-96); In re Ziegler, 992, F.2d 1197, 1200-03, 26 USPQ2d 1600, 1603-06 (Fed. Cir. 1993)).

Art Unit: 3693

8. Independent claims 1, 10, 19 and 24 each recite a limitation “determining whether the investment request complies with the at least one rule”. However, there is no recitation of such determination to accomplish any real world (and therefore tangible) utility. Alternatively, the claim itself does not recite that the result of the claimed invention is relied upon by users (such as investors) to make investment related decisions. Therefore, claimed invention(s) when viewed as a whole fail to produce a tangible, concrete and useful result and therefore is analyzed as non-statutory under 35 U.S.C. 101. Note that the current guidelines focuses on the result of the claimed invention and not the steps or structure used to produce the result.

Claim Rejections - 35 USC § 102

6. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

7. Claims 1-27 are rejected under 35 U.S.C. 102(b) as being anticipated by Cwenar (US Pat. 5893079).

Per claim 1 Cwenar discloses a method of determining whether a transaction involving a financial instrument is in compliance with investment objectives associated with an investment portfolio, (compliance capabilities, abstract); the method comprising the steps of:

a) providing at least one rule pertaining to an investment objective, the at least one rule including a reference to a dynamic database, the dynamic database containing a plurality of related entries;

(investment compliance rules are stored in a central database 4 (Fig. 1), also see exemplary Figure 4, central database 101)

b) applying the at least one rule to an investment request regarding a transaction involving a financial instrument;

(see at least col. 11 L 35-48)

c) referring to the dynamic database to incorporate each related entry contained therein into the at least one rule;

(see at least col. 11 L 35-48)

and

d) determining whether the investment request complies with the at least one rule.

(see at least col. 11 L 49 – col. 12 L 3)

Claim 2. A method according to claim 1, wherein the step of referring to the dynamic database includes referring to a dynamic list stored within the dynamic database.

(see at least col. 5 L 64 – col. 6 L5 “dynamically linked libraries”)

Claim 3. A method according to claim 1, further comprising the step of storing the at least one rule is a rules database.

(see at least col. 11 L 44-48)

Claim 4. A method according to claim 1, further comprising the step of receiving the investment request from an interested party.

(see at least col. 11 L 35-39)

Claim 5. A method according to claim 1, further comprising the step of reporting, to an interested party, whether the investment request complies with the at least one rule.

(see at least col. 11 L 58 – col. 12 L 6)

Claim 6. A method according to claim 1, wherein the step of applying the at least one rule to an investment request is executed by an interested party.

(see at least col. 11 L 35-42, rules are invoked when a trade is executed by a user..)

Claim 7. A method according to claim 1, wherein the step of applying the at least one rule to an investment request is self-executing.

(see at least col. 11 L 39-42, the server executes compliance rules without the user)

Art Unit: 3693

Claim 8. A method according to claim 1, further comprising the step of modifying the dynamic database.

(see at least Col. 11 L 44-48 inputting rules through external user interface)

Claim 9. A method according to claim 2, further comprising the step of providing at least one dynamic entry in a dynamic list stored within the dynamic database.

(see at least Col. 11 L 44-48 inputting rules through external user interface)

Claim 10. A method of determining whether an investment portfolio is in compliance with investment objectives, the method comprising the steps of: a) providing at least one rule pertaining to an investment objective, the at least one rule including a reference to a dynamic database, the dynamic database containing a plurality of related entries; b) applying the at least one rule to the investment portfolio; c) referring to the dynamic database to incorporate each entry contained therein into the at least one rule; and d) determining whether the investment portfolio complies with the at least one rule.

(refer to claim 1 analysis. It is asserted that Cwenar also applies to an investment portfolio as detailed for example at col. 11 L 49- 58, the structure of the compliance process for a trade transaction is also applicable to the individual portfolio such as a (portfolio of stocks or other securities in a mutual fund).

Claims 11-12: refer to claims 2 and 3 analysis.

Claim 13. A method according to claim 10, further comprising the step of receiving financial data relating to financial instruments contained in the investment portfolio.

(Refer to data sources 10, 12, 14, 16 in Figure 1, see relevant discussion at col. 4 L 51- col. 5 L 21).

Claims 14-18 : refer to claims 5-9 analysis.

System claims 19-27 are interpreted according to their respective method claims and accordingly rejected under 35 U.S.C. 102(b) as being anticipated by Cwenar as explained.

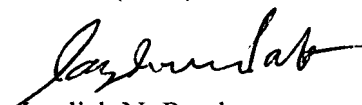
Art Unit: 3693

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to JAGDISH PATEL whose telephone number is (571) 272-6748. The examiner can normally be reached on 800AM-630PM Mon-Tue and Thu.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, **KRAMER JAMES A** can be reached on **(571)272-6783**. The fax phone number for the organization where this application or proceeding is assigned is 517-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).


Jagdish N. Patel

(Primary Examiner, AU 3693)

4/30/07